



# NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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## CALIFORNIA COLLEGE STUDENTS JOIN STATE TREASURER PHIL ANGELIDES, ELECTED AND RELIGIOUS LEADERS TO CALL ON \$141 BILLION CALSTRS PENSION FUND TO DIVEST SUDAN HOLDINGS

*Following Successful Student Campaign to Divest UC Holdings, Activists Join Treasurer's Call for  
CalSTRS to Do What is Fiscally and Morally Responsible*

SACRAMENTO, CA – California college students from around the state today joined California State Treasurer Phil Angelides, elected and religious leaders at a rally outside the headquarters of the California State Teachers' Retirement System (CalSTRS), calling on the \$141 billion pension fund to divest its holdings in five companies with reported business ties to the Sudanese government. At the rally just before a meeting of the fund's Investment Committee, the group urged CalSTRS to follow the lead of the University of California (UC), whose Regents voted March 16 to divest the UC's holdings in nine companies with ties to the Sudanese government. Sudan's brutal Khartoum regime has engaged in a campaign of genocide in the country's Darfur region in a conflict that has claimed over 200,000 lives and displaced over 2 million people.

"CalSTRS must acknowledge the financial and moral risks of investments in companies with ties to the Sudan genocide," said Treasurer Angelides, a CalSTRS board member. "The groundswell of support for divestment demonstrated here today should be a wake-up call: Not a single dollar of public pension fund investment should support a regime that has perpetrated systematic attacks against its own citizens."

"In the face of international inaction, institutions must act when faced with such evil. We are thrilled to join Treasurer Angelides in extending the successful UC divestment campaign to the statewide level," said Jason Miller, co-chair of the student-led UC Divestment Task Force.

At a meeting of the CalSTRS Investment Committee following the rally, Treasurer Angelides called on his fellow CalSTRS board members to join him in voting to take whatever actions are necessary to divest the fund's assets from five companies with business ties to the Sudanese government: China Petroleum and Chemical Corp., PetroChina Co., Tatneft OAO, Petronas Dagangan and Petronas Gas. CalSTRS' combined investment in these companies is estimated at \$13.7 million as of February 28, 2006. Angelides also called on CalSTRS to continue its engagement with other companies reported to have Sudan business operations with the goal that these companies cease their business activities in Sudan.

In December 2005, Treasurer Angelides called on CalSTRS to divest its holdings in PetroChina, which reportedly has longstanding ties to the Sudanese government. In a February 2006 vote of the CalSTRS Investment Committee, Treasurer Angelides' divestment motion failed to gain the support required for passage.

As the result of a successful campaign led by UC students, the UC regents adopted a policy on March 16 under which the University will divest its holdings in nine companies (Bharat Heavy Electricals Ltd., China Petroleum and Chemical Corp. (Sinopec), Nam Fatt Co. Bhd., Oil & Natural Gas Co. Ltd., PECD

Bhd., PetroChina Company Ltd., Sudan Telecom Co. Ltd. (Sudatel), Tatneft OAO, and Videocon Industries Ltd.) with business activities that provide revenue to the Sudanese government. Under the policy, the UC will also call on four companies (Finmeccanica SPA, Harbin Power Equipment Co. Ltd., Lundin Petroleum AB, and Schlumberger Ltd.) to sever their business ties to the Sudanese government.

A number of leading U.S. institutional investors, in addition to the University of California, have already taken action to divest their Sudan assets. Amherst, Brown, Harvard, Stanford, and Yale universities have each restricted Sudan investments. Additionally, the states of New Jersey, Oregon, and Illinois have passed divestment legislation and are currently implementing these plans.

“Last month, the UC system took an important stand against the genocide by voting to divest in the Sudan,” said Assemblymember Paul Koretz (D-West Hollywood), who spoke at today’s rally. “Now it is time for CalSTRS to step up to the plate and do the right thing by adopting the same policy. This is no time to be complacent while victims of the Darfur genocide are dying on a daily basis. There is an array of investments available that will allow CalSTRS to fulfill its fiduciary responsibilities while respecting humanitarian concerns and moral responsibility.”

Also joining Treasurer Angelides today were students from seven California colleges and universities including campuses of the University of California and California State University and Stanford University. Rabbi Ruben Taff of Sacramento’s Mosaic Law Congregation, and Dennis Smith, representing the California Federation of Teachers, also spoke at the rally.

Also lending his support to today’s effort was U.S. Olympic champion speedskater Joey Cheek, who made news in February when he donated his Olympic winnings to the humanitarian organization Right to Play to help refugees of the Sudan crisis: “While I cannot be with you today, I want to express my support for the efforts of students and activists from across California who are doing their part to stop this unthinkable genocide and to help the people of Sudan begin to put their lives back together,” Cheek said. “Through their successful divestment campaign, University of California students have demonstrated that when we put our voices together we can make a big difference. I applaud your effort to ensure that no company profits from supporting genocide.”

“No one should have to worry that their retirement funds are supporting genocide,” U.S. Representative Barbara Lee said in support of today’s effort. “CalPERS and CalSTRS should join Illinois and New Jersey and the University of California, who are cleaning the blood from their pension funds and endowments and helping stop the genocide in Darfur by divesting from companies doing business in Sudan.”

Treasurer Angelides has long been a leader in the effort to ensure that California’s pension fund investments do not contribute to the humanitarian crisis in Darfur. In late 1999, at Treasurer Angelides’ urging, the California Public Employees’ Retirement System (CalPERS) sold its stock in Talisman Energy, a Canadian company with Sudanese operations, and in 2000, CalPERS, also at Treasurer Angelides’ urging, was one of several major institutional investors that refused to participate in PetroChina’s initial public offering.

*Additional information on Treasurer Angelides’ actions related to the Sudan crisis is available at [www.treasurer.ca.gov](http://www.treasurer.ca.gov).*

*Additional information on the student-led UC Sudan Divestment campaign is available at [www.ucdivestsudan.com](http://www.ucdivestsudan.com).*

*Additional information on the humanitarian organization Right to Play is available at [www.righttoplay.com](http://www.righttoplay.com).*

## ACTIONS BY STATE TREASURER PHIL ANGELIDES TO SEVER PENSION FUND TIES TO SUDAN GENOCIDE

*California State Treasurer Phil Angelides believes companies with business ties to the Sudanese government present a financial risk and a moral threat to their shareholders. As far back as 1999, Treasurer Angelides has pushed California's public pension funds to carefully examine their investments in companies that may have ties to the Sudan crisis. The following is a list of actions Angelides has taken to urge the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) to ensure that their investments are in no part contributing to the appalling genocide in the Darfur region:*

- At Treasurer Angelides' urging, CalPERS sold its stock in Talisman Energy, a Canadian company with Sudanese operations, in 1999, and in 2000, CalPERS refused to participate in the initial public offering by the Chinese petroleum company, PetroChina, which has ties to the Sudanese government.
- In May 2005, Treasurer Angelides requested that CalPERS prod companies in which the funds invest to provide information on their Sudan business operations and join with other major pension funds to obtain credible information on businesses operating in Sudan. CalPERS and CalSTRS have since built a coalition with other pension plans to identify and engage companies operating in Sudan.
- Treasurer Angelides also called in May 2005 for CalPERS to support Assembly Concurrent Resolution 11, which urges the funds to press companies in which they invest to "act responsibly and not take actions that promote or otherwise enable human rights violations in the Sudan." Both CalPERS and CalSTRS supported this resolution, which was adopted by both houses of the State Legislature in 2005.
- In August 2005, Treasurer Angelides and former San Francisco Mayor and CalPERS board member Willie Brown urged their fellow CalPERS board members to take a series of actions to ensure that the pension fund's investments are in no part contributing to the appalling human suffering taking place in Darfur. Treasurer Angelides also asked CalSTRS to take a similar action with regard to its investments.
- In September 2005, Treasurer Angelides and Congresswoman Barbara Lee called on CalPERS to use the power of its investment portfolio to press companies in which they invest to cease their business ties to the Sudanese government.
- In December 2005, after a disastrous explosion at a PetroChina plant in China that resulted in five deaths and released carcinogenic chemicals into the air and into a river that provides water to more than 3 million Chinese residents, Treasurer Angelides called on CalSTRS to divest its PetroChina holdings. In a February

2006 vote of the CalSTRS Board, the Treasurer's motion failed to gain the support required for passage.

- Also in December 2005, CalPERS approved a proposal Treasurer Angelides put forward to demand that three companies in which the fund invests – ABB, Ltd., Alcatel, and Siemens AG – sever their business ties to the Sudanese government.
- In February 2006, Treasurer Angelides called on CalPERS to develop a divestment policy for its assets in companies with ties to Sudan. His motion failed to gain the support required for passage.